



DEPARTMENT OF LABOR

Employment and Training Administration

Notice of denial of Georgia's application for a "cap" of the 2013 credit reduction under the Federal Unemployment Tax Act

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice.

SUMMARY: Sections 3302(c)(2) and 3302(d)(3) of the Federal Unemployment Tax Act (FUTA) provide that employers in a state that has an outstanding balance of advances under Title XII of the Social Security Act at the beginning of January 1 of two or more consecutive years are subject to a reduction in credits otherwise available against the FUTA tax for the calendar year in which the most recent such January 1 occurs, if a balance of advances remains at the beginning of November 10 of that year. By virtue of Georgia's Unemployment Trust Fund account having an outstanding balance of Title XII advances on January 1 of four consecutive years, Georgia employers are potentially liable for a 0.9 percent reduction in their FUTA offset credit for 2013.

Georgia applied for a cap on the credit reduction under FUTA, section 3302(f), and 20 CFR 606.20. If the State meets the specified criteria the 2013 credit reduction would have stayed at the 2012 percentage of 0.6 percent instead of increasing to 0.9 percent.

It was determined that Georgia did not meet all of the criteria of section 3302(f) since the estimated State average tax rate on total wages for calendar year 2013 did not equal or exceed the State's average benefit cost rate for calendar years 2008 – 2012. Thus Georgia does not qualify for a credit reduction cap and therefore employers in Georgia will have a 0.9 percent FUTA credit reduction for calendar year 2013.

Signed in Washington, DC, this 5th day of December, 2013

Eric M. Seleznow,

Acting Assistant Secretary for Employment and Training

BILLING CODE 4510- FW-P

[FR Doc. 2013-29854 Filed 12/16/2013 at 8:45 am; Publication Date: 12/17/2013]